

IN THE HIGH COURT OF JUDICIATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.687 OF 1998

The Commissioner of Income-tax,
Bombay City III, Bombay .. Applicant.
V/s.

M/s.Ceekay Daikin Limited .. Respondent.

Mr.Parag Vyas with Mr.Ashok Kotangale & Mr.A.S. Rao
for the applicant.
Mr.S.J. Mehta

CORAM : V.C. DAGA &
J.P. DEVADHAR, JJ.

DATED : 18TH OCTOBER, 2005.

P.C. :

1. Heard the learned counsel for the applicant.
The Tribunal has referred following question for the
opinion of this Court reading as under :-

Whether on the facts and in the circumstances of the
case and in view of provisions of S.43(1), the
Tribunal was right in law in holding that the amount
of subsidy is not to be reduced from the value of
assets while calculating the depreciation allowable on
those assets and in consequently cancelling CIT's
order u/s.263 of this issue ?

2. The learned counsel for the applicant-revenue
fairly submits that the above question has already
been answered by the Supreme Court in the case of CIT
V/s. P.J. Chemicals Ltd. [(1994) 210 ITR 830 (SC)]
in favour of the assessee and against the revenue. In
this view of the matter, question stands answered in
affirmative for the reasons stated in the case cited
supra. Reference, accordingly stands disposed of with
no order as to costs.

* * * * *